

RECEIVED

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

MAR 3 1997

Federal Communications Commission
Office of Secretary

In the Matter of)

Implementation of Section 302 of)
the Telecommunications Act of 1996)

Open Video Systems)

CS Docket No. 96-46

**AMENDED REQUEST FOR EXTENSION OF TIME;
NOTIFICATION OF TERMINATION OF TRIAL**

Sprint Corporation ("Sprint"), on behalf of its wholly-owned subsidiary, the Carolina Telephone and Telegraph Company ("Carolina"), hereby notifies the Commission of its election to discontinue its video dialtone trial the Wake Forest, North Carolina area effective May 4, 1997. Sprint will also suspend efforts to become a franchised cable television provider in the Wake Forest area and cease all operations in this regard.

I. INTRODUCTION AND PROCEDURAL HISTORY

Carolina filed an application pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), for authority to conduct a technical and market trial of video dialtone services in portions of Wake Forest, North Carolina.¹ Carolina proposed to test hybrid fiber/coaxial facilities (the "System") for the provision of video dialtone service for a period of two years, ultimately passing approximately 1,000 homes and businesses. The Commission granted Carolina's application, subject to certain conditions and requirements, which were designed to protect the interests of video programmers, video dialtone subscribers, and telephone

¹ Application of Carolina Tel. & Tel. Co., File No. W-P-C-6999, filed September 9, 1994.

ratepayers in December of 1994.² The application was granted for a two year period from the date the system was to become operational and service was available to at least one end user. The system became operational and service was provided in October 1995.

On February 8, 1996, the Telecommunications Act of 1996 (the "1996 Act") was signed into law.³ The rules applicable to the provision of cable services by local exchange companies changed dramatically with the introduction of the 1996 Act. Among other things, the 1996 Act repealed the telephone-cable cross-ownership restriction imposed by the Cable Communications Policy Act of 1984 ("1984 Cable Act"), which generally prohibited common carriers from providing video programming directly to subscribers in their telephone service areas.⁴ The 1996 Act also repealed the Commission's "video dialtone" rules and policies, which had been established to permit common carriers to participate in the video marketplace in a manner that was consistent with the statutory telephone-cable cross-ownership restriction.

In repealing the Commission's video dialtone rules and policies, the 1996 Act provided:

The Commission's regulations and policies with respect to video dialtone requirements issued in CC Docket No 87-266 shall cease to be effective on the date of enactment of this Act. This paragraph shall not be construed to require the termination of any video-dialtone system that the Commission has approved before the date of enactment of this Act.⁵

² In The Matter Of The Application Of Carolina Telephone And Telegraph Company, File No. W-P-C-6999, DA 94-1593, Adopted: December 23, 1994, Released: December 28, 1994, 10 FCC Rcd. 1583, 1994 WL 719736 (F.C.C.)

³ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, approved February 8, 1996.

⁴ Cable Communications Policy Act of 1984, Pub. L. No. 98-549, s 613(b) (codified at 47 U.S.C. s 533(b)).

⁵ 1996 Act Sect. 302(b)(3).

By Order of July 23, 1996,⁶ the Commission provided, among other matters, that within ninety days from August 8, 1996 (by November 6, 1996), all video dial tone operators must effectuate a transition to one of the four options for providing video programming services as set forth in the order.

By letter dated October 4, 1996, Sprint notified the Commission of its intent to select (from the four options set forth under Section 651) the provision of service pursuant to Title VI of the Act. Preliminary discussions have been ongoing by Sprint in this regard with the Town of Wake Forest, North Carolina (the "Town") and Wake County, North Carolina (the "County"). On November 1, 1996, Sprint filed a Request for Extension of Time ("Request") to comply with the Order. Specifically, Sprint requested an open-ended extension of time to comply with the Commission's Order and proposed to notify the Commission of the progress in completing the transition and request a specific waiver period as more complete information becomes available. This Request is now pending before the Commission.

Sprint hereby requests that its Request be modified so as to permit continued VDT trial until May 4, 1997, after which date the trial will conclude. Approval of such an extension will give Sprint time to resolve contractual issues with program providers and will give subscribers time to acquire alternative video services before the trial ends.

II. DISCUSSION

The trial System currently serves approximately 600 residential customers in the Crenshaw Manor, Deer Chase, Jones Dairy Farm, Olde Mill Stream, Wakefield and Whippoorwill Valley subdivisions in the Wake Forest area. Cable programming is offered by Wireless Advantage, Inc.

⁶ In the Matter of Implementation of Section 302 of the Telecommunications Act of 1996, First Order on Reconsideration, CS Docket No. 96-46, adopted July 22, 1996, rel. July 26, 1996.

and National Telephone Service Company under the name Advantage Cable TV (the "Video Information Providers" or VIPs"). Interactive game service via the Sega Channel is offered by Carolina.

As noted above, in response to the 1996 Act and subsequent Commission Order, Sprint proposed to convert the trial to a cable television franchise operating under Title VI of the Act, as amended. However, at this time, Sprint has decided not to move the trial to a full business operation and is suspending all efforts to become a franchised cable television provider in the Wake Forest area. Sprint is reviewing its current video strategy in light of changes in the market place and in technology, along with associated costs, and is looking at all its options with a view towards broadening its video strategies in the future.

Sprint has developed a plan to help customers move to other video choices. In addition to other assistance, Sprint is providing a period of sixty (60) days, beginning March 4, 1997, prior to ceasing operation to afford trial customers the opportunity to seek alternative video services. Sprint believes sixty days is required in order for end users to acquire alternative services before the trial ends. This period also permits Sprint to comply with contractual termination notice requirements. Contemporaneously with this filing, letters are being sent to inform video trial customers, local franchising authorities, the VIPs and other interested parties of Sprint's decision and its plan for handling the transition.

III. CONCLUSION

Sprint hereby withdraws its election as set forth in its letter dated October 4, 1996, amends its previously filed request and asks that its trial be allowed to continue until May 4, 1997.

Respectfully submitted,

SPRINT CORPORATION

By *Jay C. Keithley*
Jay C. Keithley
1850 M Street N.W.
Suite 1100
Washington, DC 20036-5807
(202) 857-1030


Joseph P. Cowin
P. O. Box 11315
Kansas City, MO 64112
(913) 624-8680

Its Attorneys

March 3, 1997

CERTIFICATE OF SERVICE

I, Melinda L. Mills, hereby certify that I have on this 3rd day of March, 1997, served via U.S. First Class Mail, postage prepaid, or Hand Delivery, a copy of the foregoing "Amended Request for Extension of Time; Notification of Termination of Trial" in the Matter of Implementation of Section 302 of the Telecommunications Act of 1996, Open Video Systems, CS Docket No. 96-46, filed this date with the Acting Secretary, Federal Communications Commission, to the persons on the attached service list.


Melinda L. Mills

Regina Keeney*
Chief, Common Carrier Bureau
Federal Communications Commission
1919 M Street, NW, Room 500
Washington, DC 20554

Jim Schlichting*
Chief, Tariff Division
Federal Communications Commission
1919 M Street, NW, Room 518
Washington, DC 20554

Wilbur Thomas*
ITS
1919 M Street, NW, Room 246
Washington, DC 20554

Joel Ader*
Bellcore
2101 L Street, NW, 6th Floor
Washington, DC 20037

Meredith Jones, Chief*
Cable Services Bureau
Federal Communications Commission
2033 M Street, NW -- Room 918
Washington, DC 20554

Ben Golant*
Federal Communications Commission
2033 M Street, NW -- Room 700
Washington, DC 20554

*** Indicates Hand Delivery**